

ASSEMBLY BILL

No. 1528

Introduced by Assembly Member Ruskin

February 27, 2009

An act to add Section 709.1 to the Public Utilities Code, relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

AB 1528, as introduced, Ruskin. Telecommunications.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including telephone corporations, as defined. Existing law authorizes the commission to fix the rates and charges for every public utility, and requires that those rates and charges be just and reasonable. Existing law sets forth the telecommunications policies of the state. An existing decision of the commission established a uniform regulatory framework for the large- and mid-sized incumbent local exchange carriers that granted those telephone corporation broad pricing freedoms concerning almost all telecommunications services, new telecommunications products, bundles of services, promotions, and contracts.

This bill would require the commission to collect California-specific data necessary to monitor changes in the telecommunications market to determine whether adoption of the uniform regulatory framework is achieving results consistent with the state's telecommunications policies. The bill would require the commission to require that all telephone corporations report certain information on a quarterly basis and report on the content and resolution of customer complaints.

Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

Because the provisions of this bill are within the act and require action by the commission to implement its requirements, a violation of these provisions would impose a state-mandated local program by creating a new crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) In Decision 06-08-030, the Public Utilities Commission
4 granted large- and mid-sized incumbent local exchange carriers
5 broad pricing freedoms concerning almost all telecommunications
6 services, new telecommunications products, bundles of services,
7 promotions, and contracts, effectively deregulating telephone
8 service.

9 (b) Decision 06-08-030 further permitted geographic
10 deaveraging of rates and eliminated California-specific monitoring
11 reports while relying on forecasts of market evolution and
12 predictions about price changes to ensure consumers receive just
13 and reasonable rates and appropriate levels of service.

14 (c) In order to verify that competitive forces are having the
15 desired effect, data specific to California relative to prices,
16 competition, affordability, and the deployment and equitable
17 provision of new technologies and services is necessary for the
18 Legislature to determine whether changes in the telephone service
19 regulatory framework are producing results consistent with
20 California telecommunications policies, including those set forth
21 in Section 709 of the Public Utilities Code.

22 (d) Reliance exclusively upon reports produced by the Federal
23 Communications Commission and submitted to Congress is

1 insufficient to determine the extent to which California's
2 telecommunications policies are being achieved.

3 SEC. 2. Section 709.1 is added to the Public Utilities Code, to
4 read:

5 709.1. (a) For purposes of this section, "uniform regulatory
6 framework" means the system of rate regulation adopted by the
7 commission for large- and mid-sized incumbent local exchange
8 carriers pursuant to Decision 06-08-030, as modified in Decision
9 06-12-044.

10 (b) The commission shall collect California-specific data
11 necessary to monitor changes in the telecommunications market
12 to determine whether adoption of the uniform regulatory framework
13 is achieving results consistent with the state's policies for
14 telecommunications set forth in Section 709.

15 (c) Pursuant to subdivision (b), the commission shall require
16 all telephone corporations to quarterly report, in standardized
17 format, geographically specific data setting forth current prices
18 charged for the following services:

- 19 (1) Basic residential and business line service.
- 20 (2) Universal Lifeline Telephone Service.
- 21 (3) Nonrecurring charges.
- 22 (4) Privacy-related services.
- 23 (5) Services relied on by persons with disabilities.
- 24 (6) The lowest priced residential and business service packages
25 or bundles of services that contain the functional equivalent of
26 basic service and including all services traditionally associated
27 with basic service.
- 28 (7) Toll limitations.
- 29 (8) The prices for mobile telephony service bundles, stand-alone,
30 and broadband services bundled with telephone service.

31 (d) Pursuant to subdivision (b), the commission shall require
32 all telephone corporations to quarterly report on service availability
33 by census tract, and line counts, including voice grade wireline,
34 broadband, and wireless service, by customer class if applicable.

35 (e) Pursuant to subdivision (b), the commission shall require
36 all telephone corporations to report on the content and resolution
37 of customer complaints.

38 SEC. 3. No reimbursement is required by this act pursuant to
39 Section 6 of Article XIII B of the California Constitution because
40 the only costs that may be incurred by a local agency or school

1 district will be incurred because this act creates a new crime or
2 infraction, eliminates a crime or infraction, or changes the penalty
3 for a crime or infraction, within the meaning of Section 17556 of
4 the Government Code, or changes the definition of a crime within
5 the meaning of Section 6 of Article XIII B of the California
6 Constitution.

O